Appendix 4E
Preliminary Final Report to the Australian Stock Exchange
under Listing Rule 4.3A

Name of Entity		Financial Year Ended ('current period')
Oldfield Holdings Limited		**30-June-2007**

ABN		
02 000 307 988	30-June-2006	**30-June-2007**

	Results for announcement to the market				$A '000		**$A '000**
2.1	Revenue from Ordinary Activities	**Up**	**17.49%**	from	31,103	to	**36,543**
	Earnings before interest, tax, depreciation & amortisation	**Up**	**31.30%**	from	3,649	to	**4,791**
2.2	Profit from ordinary activities after tax attributable to members	**Up**	**36.81%**	from	1,209	to	**1,654**
2.3	Profit for the period attributable to members of the parent entity	**Up**	**35.88%**	from	1,151	to	**1,564**

	Dividends		Amount per security	Franked Amount per security
2.4	Final Dividend Paid	22 Dec. '06	3.5 cents	Nil
	Interim Dividend Paid	15 June '07	2.5 cents	Nil
	Final Dividend Declared	18 Dec. '07	4.0 cents	Franked to 50% - See Note 6

2.5	Record date for determining entitlement to Final Dividend 2007 Year	04-December-2007

	Current Period	Previous corresponding period
Net Assets	**13,080,534**	12,927,693
Net Assets (cents per share)	**1.10**	1.10

2.6	**Current Period**	Previous corresponding period
Net Tangible Assets	**11,445,819**	11,616,008
Net Tangible Assets (cents per share)	**0.96**	0.99

Based on current year's results, a Dividend of 4 cents per share franked to 50% has been declared by Directors. This dividend is to be paid on 18th December, 2007. The Record Date for this dividend is the 4th December, 2007.

There are currently 12,375,999 shares issued in Oldfields Holdings.

The changes to last year's total are :

1) New Issues as a result of take up of Dividend Reinvestment Plan

December, 2006 :	43,390	
June, 2007 :	71,112	

2) Shares issued to Vendors of Business Acquisitions as below

Painteroo	92,592	25-June-2007
Advance Scaffold Solutions	450,592	5/07/2007 - after Balance Date

3) There was a correction to the 2006 non-cash tax entry resulting from a correction to the Deferred Tax Assets. The correction was taken up in this year's comparatives in the Tax Entry in the amount of $111,232. A correction in 2006 Shed Holdings Pty Limited Retained Earnings of $29,771 from Foreign Currency Translation Reserve was adjusted for in the Comparatives.

Appendix 4E
Preliminary Final Report to the Australian Stock Exchange
under Listing Rule 4.3A

Name of Entity		Financial Year Ended ('current period')
Oldfield Holdings Limited		**30-June-2007**
ABN		
02 000 307 988	30-June-2006	**30-June-2007**
Results for announcement to the market	$A '000	**$A '000**

3 Income Statement for the Year Ended 30 June, 2007.
Prepared in accordance with AASB 101. Refer to Notes 2 to 5.

4 Balance Sheet as at 30 June, 2007.
Details each significant class of asset, liability and equity, appropriately subtotalled.
Refer to Notes 10 to 28.

5 Cash Flow Statement for the Year Ended 30 June, 2007.
Incorporates the disclosure requirements of AASB 101. Refer to Notes 2k, 10, and 29a-c.

6	Dividends		Amount per security	Dividend Paid	
				Y/E 30/6/06	**Y/E 30/6/07**
	Final Dividend Paid	22 Dec. '06	3.5 cents	$410,141	
	Interim Dividend Paid	15 June '07	2.5 cents		**$294,043**
	Final Dividend to be Paid	18 Dec. '07	4.0 cents	Franked to 50%	**$495,040**
	based on total Shares on issue 5 July, 2007				**$789,083**

7	Dividend Reinvestment Plan in Operation	**Yes**
	Final date to receive election notices for participation in the Company's Dividend Reinvestment Plan for December 2007 Dividend	04-December-2007

8	Statement of Retained Earnings showing movements	See Statement of Changes in Equity
9	Net Tangible Assets including comparatives for previous period	See Item 2.6 above

10 Control over entities gained or lost during the period
Note : No control over any entity was lost during the period

10.1 **Name of Entity gained**	**10.2** **Control Date**	**10.3** **Contribution to Result**
Trading Operations of Aluminium Scaffolding Services	31st August 2006	**244K** Integrated into trading operations of Adelaide Scaffolding Solutions Limited and not reported
Painteroo	25th June 2007 - Did not trade in 2007 year	**N/A**
Robinsons Putty	27th October 2006	**64K**

Appendix 4E
Preliminary Final Report to the Australian Stock Exchange
under Listing Rule 4.3A

Name of Entity		Financial Year Ended ('current period')
Oldfield Holdings Limited		**30-June-2007**
ABN		
02 000 307 988	30-June-2006	**30-June-2007**
Results for announcement to the market	$A '000	**$A '000**

11 Joint Ventures Refer Note 14

11.1 Name of Joint Venture	**11.2** Percentage Held	**11.3** Contribution to Result 2007	2006
Tangshan Ace Oldfields (Operating 2007)	37%	**-75,510**	Not Operating
PT Ace Oldfields	49%	**-14,126**	84,225
Concrete Pumping Systems	25%	**Inactive**	Inactive
Brisbane Garden Sheds Pty Limited	50%	**9,754**	4,035
Adelaide Garden Sheds Pty Limited	50%	**3,554**	1,382
Enduring Enterprises	49%	**194,930**	244,587
		118,602	**334,229**

Note : The Share of the Chinese joint Venture start-up costs have been taken into this year's accounts. For the purpose of these Accounts, CPS activities are not considered material and a small profit of approximately $2500 has not been included in the consolidated result.

12 **Significant Information for informed assessment of financial performance**
Refer attached 2007 Financial Statements incorporating :
Appendix 4E
2007 Directors Report
2007 Balance Sheet
2007 Income Statement
2007 Cash Flow Statement
2007 Statement of Changes in Equity
2007 Notes to the Financial Statements

13 Foreign Entity Not Applicable

14.1-6 **Commentary on comparative results for the current period :**
Refer attached 2007 Financial Statements as defined in Part 12 above
14.1 Earnings per Share
14.2 Shareholder Returns
14.3 Significant features of Operating Performance
14.4 Significant Segment Results
14.5 Overall Performance Trends
14.6 Significant Factors affecting Current and Future Results

15 Audit Review/Status
This report is based on Financial Statements which are in the process of being audited and are not likely to be subject to dispute or qualification.

16 Audit Review - Incomplete : Disputes/Qualifications
See 15 : Audit Review/Status above.

17 Audit Review - Complete : Disputes/Qualifications
See 15 : Audit Review/Status above.

OLDFIELDS HOLDINGS LIMITED AND CONTROLLED ENTITIES

ABN: 02 000 307 988

Annual Financial Report For The Year Ended 30 June 2007

OLDFIELDS HOLDINGS LIMITED
AND CONTROLLED ENTITIES

30 June 2007

ABN: 02 000 307 988

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OLDFIELDS HOLDINGS LIMITED ABN: 02 000 307 988 AND CONTROLLED ENTITIES
DIRECTORS' REPORT

Your directors present their report on the company and its controlled entities for the financial year ended 30 June 2007.

The names of directors in office at any time during or since the end of the year are:

John R Westwood	
Anthony Mankarios	
Thomas D J Love	
Christopher C Hext	
James W Toland	(Resigned 17 November 2006)
Douglas H Oldfield	(Resigned 26 March 2007)

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Company Secretary

The following person held the position of company secretary at the end of the financial year: Gary J Guild.

Principal Activities

The principal activities of the consolidated group during the financial year were:

- manufacturing, importing and marketing of paint brushes, paint rollers, painters' tools and spray guns,
- manufacture, marketing and exporting of Treco Garden Sheds, outdoor storage systems, aviaries and pet homes,
- manufacture and marketing of scaffolding and related equipment, and
- operation of a hire division, hiring scaffolding and related products to the building and construction industry.

There were no other significant changes in the nature of the consolidated group's principal activities during the financial year.

Operating Results

The consolidated profit of the consolidated group after providing for income tax and eliminating minority equity interests amounted to $1,563,790.

Dividends Paid or Recommended

Dividends paid or declared for payment are as follows:

Ordinary dividend paid on 22 December 2006, as recommended in last year's report $410,141 - 100% unfranked.

Interim ordinary dividend of 2.5 cents per share paid on 15 June 2007 $294,043 - 100% unfranked.

Final ordinary dividend of 4.0 cents per share recommended by the Directors $495,040 - 50% franked.

Review of Operations

The Directors are pleased to announce that for the full year ending 30 June 2007, the company made a net profit attributable to members of $1,563,790. This compares to a net profit for the same period last year of $1,150,296, an increase of 36%.

The actual revenues earned from ordinary operations being sales from paint applications, Treco garden sheds, hire, and sale of scaffolding equipment and revenue from other company activities increased in the 2007 year by 17.5% to $36,542,641 from $31,103,369 in the 2006 comparative year, whilst EBITDA increases by 31.3% to $4.79 million.

Shareholders should be aware that the consolidated revenue excludes revenue from associate companies in China and Indonesia. Though the revenues are significant they have been excluded since 2003, since after that period the entities were not controlled by the Company.

The 2007 EBIT of $3.44million was the largest in the company's recent 12 year history. It reflected a 37% increase on our 2006 result. This year's results signify our fifth consecutive year of growth.

The company Tangible Assets per share is $1.10 per share.

Debt structure and gearing

The company's long term and short term debt structure (including all lease liabilities) is $10.3 million as at June 2007. The Company's total assets are $31.3 million as at 30 June 2007. There are 11.925 million shares on issue at that date.

Dividends

The company is pleased to announce that it plans to pay a dividend of 4.0 cents per share partially franked to 50% as a final dividend on the 18 December 2007 with a record date being 4th December. Our company policy is to pay a dividend on an ongoing basis, subject to cash flow restraints. For the last four years the company has regularly improved its payment of annual dividends. It is happy to be able to improve yields this year by offering shareholders a partially franked dividend. It expects that this will continue in 2008.

Group Operations have been classified and reviewed by Divisions:

Business structure
The company has been organised into the following divisions

Paint Applications
PT Ace Oldfields Indonesia
Tangshan Hengfeng Painting Accessories Co Ltd
Aluminium Scaffold

Garden Sheds & Storage Solutions

Investments

Paint Application Products

The 91 Year old Division improved sales and profit contribution for the year. The company was able to secure and additional business moving into 2008.

Oldfields has become more competitive during the last five years and expects that its China based associate Joint Venture Company, Tangshan Hengfeng Painting Accessories Co Ltd's strategies, moving into the future, will assist in maintaining a prominent market position.

The Division acquired the Business of Robertson's Putty, a business established in 1933. It has strong links with the glazing industry. It is expected to provide additional benefit and a new product extension to our existing customer base in 2008.

The Division also acquired the business of Painteroo Products. The Company issued a total of 92,592 shares to its vendors. The company has become a leader in OH&S forcused Painter's Bucket technology with design and trademark registration pending.

PT Ace Oldfields Indonesia

Oldfields International Pty Ltd owns 49% share in this associate.

As previously announced in 2006, this Indonesian based associate is going through a shift in customer base focus. Its export sales declined as a result of a loss in US based business but increased in local trade. As a direct result, this Division's contribution declined as a result of the US business decline. Its customer base has become more evenly distributed moving forward.

The business is well operated and a focus on cost minimisation makes it one of the lowest cost producers of quality products in the world. The quality produced in this facility is not easily duplicated by any Asian competitors and it relies on the group's intellectual property to produce some of its Paint Application lines.

Tangshan Hengfeng Painting Accessories Co Ltd

Oldfields International Pty Ltd owns 37% share in this Associate China Company.

The company is pleased to report that production has now commenced and that initial export and local sales have commenced. The sales are steadily gearing up.

The group invested in a local China facility, including a large parcel of land and has constructed a modern manufacturing facility, which is world class and a real asset to the group moving forward. It expects that with China's strong economy, it will provide the company opportunities for growth in the coming years.

The Board believes that this facility will eventually assist its plans to position itself as a world leader in Paint Applications products.

This Joint Venture Company will provide our Australian shareholders a chance to share in th fast growing Chinese market within a disciplined and controlled environment.

Aluminium Scaffold business

This Division recorded double digit growth in revenue compared to last year. The division undertook to expand with the integration of its new network of branches in WA with Aluminium Scaffold Services, Scaffold Hirers (South Australia) and Direct Scaffolds (Newcastle). These new branches exceeded revenue budgeted forecasts for the year. The company has since, in July 2007, purchased a leading Australian Aluminium Scaffold business known as Advance Scaffolds. The integration was performed seamlessly and initiatives have begun to secure synergy gains as a result of the acquisition.

The company is now the leading force in Aluminium Scaffolding in Australia. Its "Scaffold The World" concept is now exporting to Europe, the Middle East, and Asia along with many countries including the USA.

The Oldfields team was also successful in winning prestigious scaffolding work during the year. The team is very much performance driven with a focus on OH&S related issues within its market and providing access solutions through design, innovation and engineering services to a variety of leading construction customers and hire clientele.

The Oldfields Access factory was relocated in 2006 to occupy the facility at 8 Farrow Rd, Campbelltown in January 2006 and the manufacturing efficiency has improved since the move. Certain synergies from the recent acquisition of Advances Scaffolds and procurement benefits from the company's Southern China factory should see improvements into 2008.

In September 2006, the business purchased a WA scaffold business known as Aluminium Scaffolding Services. This business is located south of Perth and is experiencing solid growth within management expectations. The integration of which happened during the course of 2007. It is set to provide the group additiional shareholder returns in 2008 as it proceeds towards a full year trading in 2008.

The company will seek further expansion of this nature by way of acquisitions or by way of exclusive distributor licence arrangements to take full advantage of emerging technology. The company is looking at cost effective options in this area.

The Division is expected to be a major contributor to the group's earnings in the next few years.

Garden sheds and storage solutions divisions

This division recorded double digit growth during the last twelve months. It underwent a management change early in the year, and the team is now better focused on productivity gains and on procurement management. As a result, the division was a strong contributor to the year's result.

Whilst this division is an Australian manufacture, located at No 8 Farrow Road, Campbelltown, NSW, 2560, it will seek to take advantage of our China presence and seek to improve procurement into 2008 in its storage solutions category. The Outdoor Storage Solutions Category was introduced during the 2006/2007 period. It has been in successful in providing storage solutions to the hardware industry. It anticipates that a broader customer base will be achived as a result of the decision.

The division is expected to grow into the near future.

Investments

The company's 100% owned Australian investment subsidiary, Sheds Holdings Pty Ltd, completed a number of property transactions during the year. The purpose of which was to secure tenure at our busiest Sydney Scaffold location, along with the manufacturing location for our recently acquired Putty Business. The company also owns real estate in Penrith, which is utilised by a subsidiary company and shares in associated businesses.

Revaluations of the investment property portfolio were conducted under the current accounting standards. This changed the nature of the portfolio and resulted in a net pretax gain to our consolidated EBITDA of $595,034 in this year's account. The company is considering its growth options regarding its portfolio. It anticipates further gains into 2008.

Oldfields International Pty Ltd is a 100% owned subsidiary that invests in off-shore business ventures. Currently, its investment in its China operations also includes a share in its holdings at Tangshan, China. It is expected to yield gains in real estate value into 2008.

The Company's focus with this part of the business is to invest in Real Estate opportunities that are linked to and compliment our existing business plans.

The nature of these investments has changed the core asset backing and debt structure in the company and has provided solid additional tangible asset backing and security to our financiers. The company risk profile is anticipated to continue significantly as a result.

Future outlook

Our team will concentrate on extracting synergies from its recent acquisitions, enhancing the shareholder value by improving their operations. The company anticipates that its operations in the next few months are expected to perform to expectations, with a focus on further cost reduction and efficiency gains. The company is budgeting for increases revenue and profits for the next twelve months. The first few months trading of the new 2008 financial year is showing strong steady improvements.

The Directors believe that given the continual improvement in trading performance, shareholder value will also continue to improve. Currently the company has committed funds to the Joint Venture in China. The company anticipates a return on these funds from 2008/2009. This is anticipated to enhance shareholder earnings.

Despite our good performance, Directors feel that the net earnings would improve sigificantly if the company were able to merge or acquire another suitable small publicly listed company or other suitable entities. Effectively marginalising the effect of its head office and administration costs associated with a listed public company on its business units.

The Board, as per previous disclosures, continues to seek appropriate mergers and/or acquisitions with the possibility of achieving synergies with other companies involved in complimentary business activities. These may involve activities that are diversified to the current operations resulting in certain synergy gain. The company recognises it has strong synergy possibilities with other key groups and will continue to encourage discussion with interested parties in light of its sustained proven strong earnings and dividend history.

In achieving this goal, the Board also recognises the potential to improve share liquidity issues associated with the currently held share register. For example, it has recently issued shares in two recent acquisitions to their vendors. It is anticipates this will continue to improve liquidity.

The Directors are keen to maintain good Corporate Governance. Recent updates have been posted to our corporate website www.oldfields.com.au and the Board undertakes to keep market regularly informed of company progress. It is our goal to continue to improve shareholder value over the next 12 months and beyond.

After Balance Date Events

The company, through its recently incorporated 100% owned subsidiary Advance Scaffold Solutions Pty Ltd, has been successful in acquiring the Advance Scaffold business which includes Forshan Advcorp Scaffolds Limited in China. The settlement of this acquisition occurred on the 2 July 2007. Although the terms of the settlement remain confidential, the vendors were issued a total of 453,592 shares as part consideration in the settlement. The Company's total Assets have grown materially as a result of this acquisition. The first month's trading on writing this report is within management expectations. This acquisition is expected to be earnings per share positive and is likely to effect the next reporting period.

The Aluminium Scaffold Division also announced that its 11th branch will open in Dandenong, Victoria in August 2007. This will strenghten its position as the leading Australian Aluminium Scaffold Company.

Environmental Issues

The economic entity's manufacturing operations are not subject to significant environmental regulations under the law of the Commonwealth and State. The economic entity has established a process whereby compliance with existing environmental regulations and new regulations is monitored continually. This process includes procedures to be followed should an incident occur which adversely impacts the environment. The Directors are not aware of any significant breaches during the period covered by this report.

Information on Directors

John R Westwood	—	Chairman (Non Executive), Age 56.
Qualifications	—	Accountant.
Experience	—	Appointed Chairman 12 August 2002. Board member since 2001. Mr. Westwood has 27 years experience in the Building Materials Industry holding many senior accounting positions and is an experienced administrator of both small and medium sized companies.
Interest in Shares and Options	—	Refer Options and ASX additional information.
Special Responsibilities	—	Mr. Westwood is a member of the Remuneration Committee.
Directorships held in other listed entities	—	Nil.
Anthony Mankarios	—	Managing Director. Age 40.
Qualifications	—	Fellow of the Australian Institute of Company Directors, Master of Business Administration (SGSM), Certified Finance and Treasury Professional.
Experience	—	Appointed Managing Director 10 October 2002. Board member since 2001. Mr. Mankarios was previously involved for 13 years in all aspects of the running and administration of a group of companies in the paint industry.
Interest in Shares and Options	—	Refer Options and ASX additional information.
Special Responsibilities	—	Mr. Mankarios is a member of the Remuneration Committee.
Directorships held in other listed entities	—	Nil.
Thomas D J Love	—	Director (Non Executive). Age 76.
Qualifications	—	Fellow of the Institute of Chartered Accountants.
Experience	—	Mr. Love was a partner in firms of Chartered Accountants for 40 years and has been a director since 1964. Mr. Love has also been a director of a number of Australian and overseas publicly listed and private companies.
Interest in Shares and Options	—	Refer Options and ASX additional information.
Special Responsibilities	—	Mr. Love is a member of the Audit Committee.
Directorships held in other listed entities	—	Nil.
Christopher C Hext	—	Director (Non Executive). Age 55.
Qualifications	—	Batchelor of Business (Accounting), Registered Tax Agent, Justice of Peace.
Experience	—	Board member since 2001. Mr.Hext was a Certified Practicing Accountant and has held senior accounting and management positions in companies of all sizes.
Interest in Shares and Options	—	Refer Options and ASX additional information.
Special Responsibilities	—	Mr. Hext is a Chairman of the Audit Committee.
Directorships held in other listed entities	—	Nil.
James W Toland	—	Director (Non-executive) - Resigned 17 November 2006.
Douglas H Oldfield	—	Director (Non-executive) - Resigned 26 March 2007.

REMUNERATION REPORT

This report details the nature and amount of remuneration for each director of Oldfields Holdings Limited, and for the executives receiving the highest remuneration.

Remuneration policy

The remuneration policy of Oldfields Holdings Limited has been designed to align director and executive objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific long-term incentives based on key performance areas affecting the consolidated group's financial results. The board of Oldfields Holdings Limited believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best executives and directors to run and manage the consolidated group, as well as create goal congruence between directors, executives and shareholders.

The board's policy for determining the nature and amount of remuneration for board members and senior executives of the consolidated group is as follows:

- The remuneration policy, setting the terms and conditions for the executive directors and other senior executives, was developed by the remuneration committee and approved by the board after seeking professional advice from independent external consultants.

- All executives receive a base salary (which is based on factors such as length of service and experience), superannuation, fringe benefits, options and performance incentives.

- The remuneration committee reviews executive packages annually by reference to the consolidated group's performance, executive performance and comparable information from industry sectors.

The performance of executives is measured against criteria agreed biannually with each executive and is based predominantly on the forecast growth of the consolidated group's profits and shareholders' value. All bonuses and incentives must be linked to predetermined performance criteria. The board may, however, exercise its discretion in relation to approving incentives, bonuses and options, and can recommend changes to the committee's recommendations. Any changes must be justified by reference to measurable performance criteria. The policy is designed to attract the highest calibre of executives and reward them for performance that results in long-term growth in shareholder wealth.

Executives are also entitled to participate in the employee share and option arrangements.

The executive directors and executives receive a superannuation guarantee contribution required by the government, which is currently 9%, and do not receive any other retirement benefits. Some individuals, however, have chosen to sacrifice part of their salary to increase payments towards superannuation.

All remuneration paid to directors and executives is valued at the cost to the company and expensed. Shares given to directors and executives are valued as the difference between the market price of those shares and the amount paid by the director or executive. No such shares were issued in the current year. Options are valued using the Black-Scholes methodology.

The board policy is to remunerate non-executive directors at market rates for time, commitment and responsibilities. The remuneration committee determines payments to the non-executive directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders at the Annual General Meeting. Fees for non-executive directors are not linked to the performance of the consolidated group. However, to align directors interests with shareholder interests, the directors are encouraged to hold shares in the company and are able to participate in the employee option plan.

Performance based remuneration

As part of each executive director and executives remuneration package there is a performance-based component, consisting of key performance indicators (KPIs). The intention of this program is to facilitate goal congruence between directors/executives with that of the business and shareholders. The KPIs are set annually, with a certain level of consultation with directors/executives to ensure buy-in. The measures are specifically tailored to the areas each director/executive is involved in and has a level of control over. The KPIs target areas the board believes hold greater potential for group expansion and profit, covering financial and non-financial as well as short- and long-term goals. The level set for each KPI is based on budgeted figures for the group and respective industry standards.

Performance in relation to the KPIs is assessed annually, with bonuses being awarded depending on the number and deemed difficulty of the KPIs achieved. Following the assessment, the KPIs are reviewed by the remuneration committee in light of the desired and actual outcomes, and their efficiency is assessed in relation to the groups goals and shareholder wealth, before the KPIs are set for the following year.

In determining whether or not a KPI has been achieved, Oldfields Holdings Limited bases the assessment on audited figures, however, where the KPI involves comparison of the group or a division within the group to the market, independent reports are obtained from organisations such as Standard & Poors.

Company performance, shareholder wealth and director and executive remuneration

The remuneration policy has been tailored to increase goal congruence between shareholders, directors and executives. There have been two methods applied in achieving this aim, the first being a performance based bonus based on key performance indicators, and the second being the issue of options to the majority of directors and executives to encourage the alignment of personal and shareholder interests. The company believes this policy to have been effective in increasing shareholder wealth over the past four years.

The following table shows the gross revenue, profits and dividends for the last five years for the listed entity, as well as the share price at the end of the respective financial years. Analysis of the actual figures shows an increase in profits each year as well as an increase or maintenance of dividends paid to shareholders. The improvement in the company's performance over the last five years has been reflected in the company's share price with an increase each year, with the exception of [insert year], when the share price fell slightly. The board is of the opinion that these results can be attributed in part to the previously described remuneration policy and is satisfied that this continued improvement has lead to increased shareholder wealth over the past four years.

Remuneration Report

	2003	2004	2005	2006	2007	
Revenue	36,691,964	24,409,410	28,364,084	31,103,369	36,542,641	
Net Profit	1,788,793	900,067	1,189,631	1,150,296	1,563,790	
Share Price at Year-end	0.86	1.00	0.90	1.00	1.10	
Dividends	315,000.00	564,344.00	515,234.00	702,431.00	789,083.00	#

From 1 January 2003, the Group's interest in PT Ace Oldfields was reduced to 49% and it has been accounted for as an Associated Entity from that date.

Final dividend partially franked to 50%.

OLDFIELDS HOLDINGS LIMITED ABN: 02 000 307 988 AND CONTROLLED ENTITIES
DIRECTORS' REPORT

Details of remuneration for year ended 30 June 2007

The remuneration for each director and each of the four executive officers of the consolidated entity receiving the highest renumeration during the year was as follows:

	Short-term benefits				**Post Employment Benefits**
2007	& commissions $	Cash profit share $	Non-cash benefit $	Other $	Superannuation $
Key Management Person					
John R Westwood	44,800	-	18,301	-	4,032
Anthony Mankarios	198,999	-	30,652	-	17,910
Thomas D J Love	28,415	-	-	-	-
Christopher C Hext	34,482	-	-	-	3,103
James W Toland	17,733	-	-	-	1,596
Douglas H Oldfield	17,831	-	-	-	1,605
Kenneth E Holloway	46,727	-	21,105	-	-
Raymond J Titman	81,000	-	29,607	-	7,290
Gary J Guild	103,773	-	4,840	-	9,339
	573,760	-	104,505	-	44,875

	Other Long-term Benefits	**Share-based Payment**		**Total**	**Performance Related**
2007	Other $	Equity $	Options $	$	%
Key Management Person					
John R Westwood	-	-		67,133	-
Anthony Mankarios	-	-		247,561	-
Thomas D J Love	-	-		28,415	-
Christopher C Hext	-	-		37,585	-
James W Toland	-	-		19,329	-
Douglas H Oldfield	-	-		19,436	-
				-	
Kenneth E Holloway	-	-		67,832	-
Raymond J Titman	-	-		117,897	-
Gary J Guild	-	-		117,952	-
	-	-	-	723,140	

	Short-term benefits				**Post Employment Benefits**
2006	& commissions $	Cash profit share $	Non-cash benefit $	Other $	Superannuation $
Key Management Person					
John R Westwood	41,600	-	9,697	-	3,744
Anthony Mankarios	198,999	-	27,108	-	17,910
Thomas D J Love	26,000	-	1,546	-	-
Christopher C Hext	27,667	-	-	-	2,490
James W Toland	26,000	-	-	-	2,340
Douglas H Oldfield	-	-	-	-	-
Kenneth E Holloway	44,027	-	24,789	-	-
Raymond J Titman	81,000	-	32,565	-	7,290
Gary J Guild	100,750	-	2,261	-	9,067
	546,043	-	97,966	-	42,841

	Other Long-term Benefits	**Share-based Payment**		**Total**	**Performance Related**
2006	Other $	Equity $	Options $	$	%
Key Management Person					
John R Westwood	-	-	-	55,041	-
Anthony Mankarios	-	-	-	244,017	-
Thomas D J Love	-	-	-	27,546	-

Christopher C Hext	-	-	-	30,157	-
James W Toland	-	-	-	28,340	-
Douglas H Oldfield	-	-	-	-	-
			-	-	
Kenneth E Holloway	-	-	-	68,816	-
Raymond J Titman	-	-	-	120,855	-
Gary J Guild	-	-	-	112,078	-
	-	-	-	686,850	

Performance income as a proportion of total remuneration

Executive directors and executives are paid performance based bonuses based on set monetary figures, rather than proportions of their salary. This has led to the proportions of remuneration related to performance varying between individuals. The remuneration committee has set these bonuses to encourage achievement of specific goals that have been given a high level of importance in relation to the future growth and profitability of the consolidated group.

The remuneration committee will review the performance bonuses to gauge their effectiveness against achievement of the set goals, and adjust future years incentives as they see fit, to ensure use of the most cost effective and efficient methods.

Employment contracts of directors and senior executives

The employment conditions of the Managing Director and specified executives are formalised in contracts of employment. Other than the Managing Director, all executives are permanent employees of the Oldfirelds Group.

The employment contracts stipulate a range of one to three months resignation periods. The company may terminate an employment contract without cause by providing 12 months written notice or making payment in lieu of notice based on the individual's annual salary component, together with a redundancy payment of between 5% and 10% of the individual's fixed salary component. Termination payments are generally not payable on resignation or dismissal for serious misconduct. In the instance of serious misconduct, the company can terminate employment at any time. Any options not exercised before that date will lapse.

Meetings of Directors

During the financial year, 12 meetings of directors (including committees of directors) were held.
Attendances by each director during the year were as follows:

	Directors'		Committee Meetings			
			Audit Committee		Renumeration Committee	
Directors' names	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended
John R Westwood	12	12			1	1
Anthony Mankarios	12	12			1	1
Thomas D J Love	12	12	2	2		
Christopher C Hext	12	12	2	2		
James W Toland	6	6				
Douglas H Oldfield	8	8				

Indemnifying Officers or Auditor

During or since the end of the financial year the company has given an indemnity or entered into an agreement to indemnify, or paid or agreed to pay insurance premiums as follows:

The company has paid premiums to insure each of the following directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director of the company, other than conduct involving a wilful breach of duty in relation to the company. The Insurance Policy prohibits disclosure of the amount of the premium.

John R Westwood
Anthony Mankarios
Thomas D J Love
Christopher C Hext
James W Toland
Douglas H Oldfield

Options

At the date of this report, the unissued ordinary shares of Oldfields Holdings Limited under option are as follows

Grant Date	Date of expiry	Exercise price	Number under option
30/06/2007	30/06/2010	$ 1.20	1,545,000
			1,545,000

No person entitled to exercise the option had or has any right by virtue of the option to participate in any share issue of any other body corporate.

Proceedings on Behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

Non-audit Services

The board of directors, in accordance with advice from the audit committee, is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The directors are satisfied that the services disclosed below did not compromise the external auditor's independence for the following reasons:

- all non-audit services are reviewed and approved by the audit committee prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and

- the nature of the services provided do not compromise the general principles relating to auditor independence in accordance with APES 110: Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board.

The following fees for non-audit services were paid/payable to the external auditors during the year ended 30 June 2007:

	$
Taxation services	14,700
Due diligence investigations	25,000
	39,700

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2007 has been received and can be found on page 9 of the directors' report.

Director Gary Guild - Company Secretary for
Anthony Mankarios

Dated this 29th day of August 2007

OLDFIELDS HOLDINGS LIMITED ABN: 02 000 307 988 AND CONTROLLED ENTITIES
INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2007

	Note	Consolidated Group		Parent Entity	
		2007	2006	2007	2006
		$	$	$	$
Sales Revenue	2	23,667,690	20,632,483	-	-
Cost of Sales	3(a)	(18,740,853)	(15,933,451)	-	-
Gross Profit		4,926,837	4,699,032	-	-
Other income	2	12,874,951	10,470,886	970,000	-
Distribution expenses		(9,684,257)	(8,767,085)	-	-
Marketing expenses		(1,084,360)	(1,031,034)	-	-
Occupancy expenses		(922,480)	(912,371)	-	-
Administrative expenses		(2,781,241)	(2,279,132)	-	(313)
Finance costs		(1,137,467)	(792,635)	-	-
Share of net profits of associates		118,602	334,229	-	-
Profit before income tax	3	2,310,585	1,721,890	970,000	(313)
Income tax expense	4	(657,022)	(512,666)	-	-
Profit for the year		1,653,563	1,209,224	970,000	(313)
Profit attributable to minority equity interest		(89,773)	(58,928)	-	-
Profit attributable to members of the parent entity		1,563,790	1,150,296	970,000	(313)
Overall Operations					
Basic earnings per share (cents per share)	9	13.34	9.52		
Diluted earnings per share (cents per share)	9	13.34	9.52		
Dividends per share (cents)		6.50	6.00		

The accompanying notes form part of these financial statements.

OLDFIELDS HOLDINGS LIMITED ABN: 02 000 307 988 AND CONTROLLED ENTITIES
BALANCE SHEET AS AT 30 JUNE 2007

	Note	Consolidated Group		Parent Entity	
		2007	2006	2007	2006
		$	$	$	$
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	10	196,812	809,412	33,246	24,955
Trade and other receivables	11	4,538,473	4,451,987	3,262,897	3,031,115
Inventories	12	5,472,252	4,328,909	-	-
Other current assets	22	984,857	1,029,892	-	-
TOTAL CURRENT ASSETS		11,192,394	10,620,200	3,296,143	3,056,070
NON-CURRENT ASSETS					
Trade and other receivables	11	1,090	1,090	-	-
Investments accounted for using the equity method	14	1,418,400	1,447,409	-	-
Financial assets	17	118,675	815,589	7,209,076	7,209,076
Property, plant and equipment	19	13,679,808	10,698,228	-	-
Deferred tax assets	25	864,041	991,662	850,758	607,742
Intangible assets	21	1,634,715	1,314,085	-	-
TOTAL NON-CURRENT ASSETS		20,086,302	15,268,063	8,059,834	7,816,818
TOTAL ASSETS		31,278,696	25,888,263	11,355,977	10,872,888
CURRENT LIABILITIES					
Trade and other payables	23	6,208,602	4,511,909	941,966	938,280
Financial liabilities	24	2,373,573	2,939,305	-	-
Current tax liabilities	25	110,425	110,845	5,015	5,015
Short-term provisions	26	1,082,099	911,452	-	-
TOTAL CURRENT LIABILITIES		9,774,699	8,473,511	946,981	943,295
NON-CURRENT LIABILITIES					
Financial liabilities	24	7,888,442	4,486,143	-	-
Deferred tax liabilities	25	419,486	-	-	-
Other long-term provisions	26	115,535	112,149	-	-
TOTAL NON-CURRENT LIABILITIES		8,423,463	4,598,292	-	-
TOTAL LIABILITIES		18,198,162	13,071,803	946,981	943,295
NET ASSETS		13,080,534	12,816,460	10,408,996	9,929,593
EQUITY					
Issued capital	28	9,927,730	9,714,143	9,927,730	9,714,143
Reserves		(1,077,621)	(531,938)	1,319	1,319
Retained earnings		4,140,402	3,280,796	479,947	214,131
Parent interest		12,990,511	12,463,001	10,408,996	9,929,593
Minority equity interest		90,023	353,460	-	-
TOTAL EQUITY		13,080,534	12,816,461	10,408,996	9,929,593

The accompanying notes form part of these financial statements.

OLDFIELDS HOLDINGS LIMITED ABN: 02 000 307 988 AND CONTROLLED ENTITIES
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2007

	Note	Share Capital Ordinary Share Capital	Retained Earnings	Asset Revaluation Reserve	Foreign Currency Translation Reserve	Option Reserve	Hedge Reserve	Minority Equity Interests	Total
Consolidated Group		$	$	$	$	$	$	$	$
Balance at 1 July 2005		8,725,550	2,884,621	-	38,155	1,007	-	294,531	11,943,864
Profit attributable to members of parent entity		-	1,150,296	-	-	-	-	58,929	1,209,225
Others		-	(51,690)	-	-	-	-	-	(51,690)
Revaluation increment		-	-	-	-	312	-	-	312
Adjustments from translation of foreign controlled entities		-	-	-	(571,412)	-	-	-	(571,412)
Shares issued during the year		988,593	-	-	-	-	-	-	988,593
Sub-total		9,714,143	3,983,227	-	(533,257)	1,319	-	353,460	13,518,892
Dividends paid or provided for	8		(702,431)						(702,431)
Balance at 30 June 2006		9,714,143	3,280,796	-	(533,257)	1,319	-	353,460	12,816,461
Shares issued during the year		213,587		-	-	-	-	-	213,587
Profit attributable to members of parent entity		-	1,563,790	-	-	-	-	89,773	1,653,563
Revaluation increment		-	-	106,490	(652,173)		-	-	(545,683)
Adjustments from translation of foreign controlled entities		-	-	-	-	-	-	-	-
Sub-total		9,927,730	4,844,586	106,490	(1,185,430)	1,319	-	443,233	14,137,928
Dividends paid or provided for	8		(704,184)					(353,210)	(1,057,394)
Balance at 30 June 2007		9,927,730	4,140,402	106,490	(1,185,430)	1,319	-	90,023	13,080,534

The accompanying notes form part of these financial statements.

	Note	Share Capital Ordinary Share Capital	Retained Earnings	Asset Revaluation	Foreign Currency Translation	Option Reserve	Total
Parent Entity		$	$	$	$	$	$
Balance at 1 July 2005		8,725,550	916,875	-	-	1,007	9,643,432
Profit attributable to members of parent entity		-	(313)	-	-	-	(313)
Shares issued during the year		988,593		-	-	-	988,593
Others		-	-	-	-	312	312
Sub-total		9,714,143	916,562	-	-	1,319	10,632,024
Dividends paid or provided for	8		(702,431)				(702,431)
Balance at 30 June 2006		9,714,143	214,131	-	-	1,319	9,929,593
Shares issued during the year		213,587					213,587

Profit attributable to members of parent entity			970,000				970,000
Sub-total		9,927,730	1,184,131	-	-	1,319	11,113,180
Dividends paid or provided for	8		(704,184)				(704,184)
Balance at 30 June 2007		9,927,730	479,947	-	-	1,319	10,408,996

The accompanying notes form part of these financial statements.

OLDFIELDS HOLDINGS LIMITED ABN: 02 000 307 988 AND CONTROLLED ENTITIES
CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2007

	Note	Consolidated Group		Parent Entity	
		2007	2006	2007	2006
		$	$	$	$
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers		38,638,070	32,923,714	-	-
Interest received		18,937	4,271	645	453
Payments to suppliers and employees		(34,871,553)	(30,522,015)	(987)	(997)
Finance costs		(953,723)	(615,873)	-	-
Net cash provided by (used in) operating activities	33a	2,831,731	1,790,097	(342)	(544)
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceeds from sale of property, plant and equipment		377,165	158,327	-	-
Purchase of property, plant and equipment		(5,940,431)	(1,717,049)	-	-
Purchase of investments		(35,510)	(1,167,745)	-	-
Net cash provided by (used in) investing activities		(5,598,776)	(2,726,467)	-	-
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from issue of ordinary shares		-	1,040,637	-	1,040,637
Proceeds from borrowings		4,100,484	915,000	-	-
Advances - Related Parties		-	-	590,539	
Repayment of borrowings		(919,169)	(364,525)	-	-
Dividends paid by parent entity		(581,906)	(682,229)	(581,906)	(682,229)
Payments - Related Parties		-	-	-	(361,029)
Net cash provided by (used in) financing activities		2,599,409	908,883	8,633	(2,621)
Net increase in cash held		(167,636)	(27,487)	8,291	(3,165)
Cash at beginning of financial year		(830,440)	(802,953)	24,955	28,120
Cash at end of financial year	10	(998,076)	(830,440)	33,246	24,955

The accompanying notes form part of these financial statements.

Note 1 Statement of Significant Accounting Policies

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

The financial report covers the consolidated group of Oldfields Holdings Limited and controlled entities, and Oldfields Holdings Limited as an individual parent entity. Oldfields Holdings Limited is a listed public company, incorporated and domiciled in Australia.

The financial report of Oldfields Holdings Limited and controlled entities, and Oldfields Holdings Limited as an individual parent entity comply with all International Financial Reporting Standards (IFRS) in their entirety.

The following is a summary of the material accounting policies adopted by the consolidated group in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated

Basis of Preparation

The accounting policies set out below have been consistently applied to all years presented.

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

Accounting Policies

(a) Principles of Consolidation

A controlled entity is any entity Oldfields Holdings Limited has the power to control the financial and operating policies so as to obtain benefits from its activities.

A list of controlled entities is contained in Note 18 to the financial statements. All controlled entities have a June financial year-end.

All inter-company balances and transactions between entities in the consolidated group, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistencies with those policies applied by the parent entity.

Where controlled entities have entered or left the consolidated group during the year, their operating results have been included/excluded from the date control was obtained or until the date control ceased.

Minority equity interests in the equity and results of the entities that are controlled are shown as a separate item in the consolidated financial report.

(b) Income Tax

The charge for current income tax expense is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using the tax rates that have been enacted or are substantially enacted by the balance date.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the income statement except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the consolidated group will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

Oldfields Holdings Limited and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime. Each entity in the group recognises its own current and deferred tax liabilities, except for any deferred tax assets resulting from unused tax losses and tax credits which are immediately assumed by the parent entity. The current tax liability of each group entity is then subsequently assumed by the parent entity. The group notified the Australian Taxation Office that it had formed an income tax consolidated group to apply from [insert date]. The tax consolidated group has entered a tax sharing agreement whereby each company in the group contributes to the income tax payable in proportion to their contribution to the net profit before tax of the tax consolidated group.

(c) Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of manufactured products includes direct materials, direct labour and an appropriate portion of variable and fixed overheads. Overheads are applied on the basis of normal operating capacity. Costs are assigned on the basis of weighted average costs or standard costs.

Construction profits are recognised on the stage of completion basis and measured using the proportion of costs incurred to date as compared to expected actual costs. Where losses are anticipated they are provided for in full.

Construction revenue has been recognised on the basis of the terms of the contract adjusted for any variations or claims allowable under the contract.

(d) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Property

Freehold land and buildings are shown at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arms length transaction), based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Plant and equipment
Plant and equipment are measured on the cost basis. The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

The cost of fixed assets constructed within the consolidated group includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads. Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the income statement. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the income statement and depreciation based on the assets original cost is transferred from the revaluation reserve to retained earnings.

Depreciation
The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis over their useful lives to the consolidated group commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Buildings	1%
Leasehold improvements	4 - 5%
Plant and equipment	5 - 50%
Leased plant and equipment	18 - 20%

The assets’ residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. An asset’s carrying amount is written down immediately to its recoverable amount if the asset’s carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

(e) Investment Property
Investment property, comprising freehold office complexes, is held to generate long-term rental yields. All tenant leases are on an arm's length basis. Investment property is carried at fair value, determined annually by independent valuers. Changes to fair value are recorded in the income statement as other income.

(f) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that are transferred to entities in the consolidated group are classified as finance leases. Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term. Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred. Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

(g) Financial Instruments

Recognition
Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Financial assets at fair value through profit and loss
A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management and within the requirements of AASB 139: Recognition and Measurement of Financial Instruments. Derivatives are also categorised as held for trading unless they are designated as hedges. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the income statement in the period in which they arise.

Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Held-to-maturity investments
These investments have fixed maturities, and it is the group’s intention to hold these investments to maturity. Any held-to-maturity investments held by the group are stated at amortised cost using the effective interest rate method.

Available-for-sale financial assets

Available-for-sale financial assets include any financial assets not included in the above categories. Available-for-sale financial assets are reflected at fair value. Unrealised gains and losses arising from changes in fair value are taken directly to equity.

Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arms length transactions, reference to similar instruments and option pricing models.

Impairment

At each reporting date, the group assess whether there is objective evidence that a financial instrument has been impaired. In the case of available-for sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the income statement.

(h) Impairment of Assets

At each reporting date, the group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the income statement.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

Where it is not possible to estimate the recoverable amount of an individual asset, the group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(i) Investments in Associates

Investments in associate companies are recognised in the financial statements by applying the equity method of accounting. The equity method of accounting recognised group's share of post acquisition reserves of its associates.

(j) Interests in Joint Ventures

The consolidated group's share of the assets, liabilities, revenue and expenses of joint venture operations are included in the appropriate items of the consolidated financial statements. Details of the consolidated group's interests are shown in Note 16.

The consolidated group's interests in joint venture entities are brought to account using the equity method of accounting in the consolidated financial statements. The parent entity's interests in joint venture entities are brought to account using the cost method.

(k) Intangibles

Goodwill

Goodwill and goodwill on consolidation are initially recorded at the amount by which the purchase price for a business or for an ownership interest in a controlled entity exceeds the fair value attributed to its net assets at date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill on acquisition of associates is included in investments in associates. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Research and development

Expenditure during the research phase of a project is recognised as an expense when incurred. Development costs are capitalised only when technical feasibility studies identify that the project will deliver future economic benefits and these benefits can be measured reliably.

Development costs have a finite life and are amortised on a systematic basis matched to the future economic benefits over the useful life of the project.

(l) Foreign Currency Transactions and Balances

Functional and presentation currency

The functional currency of each of the group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

Transaction and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the yearend exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the income statement, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity, otherwise the exchange difference is recognised in the income statement.

Group companies

The financial results and position of foreign operations whose functional currency is different from the group's presentation currency are translated as follows:

— assets and liabilities are translated at year-end exchange rates prevailing at that reporting date;
— income and expenses are translated at average exchange rates for the period; and
— retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations are transferred directly to the groups foreign currency translation reserve in the balance sheet. These differences are recognised in the income statement in the period in which the operation is disposed.

(m) Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs.

Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Equity-settled compensation

The group operates a number of share-based compensation plans. These include both a share option arrangement and an employee share scheme. The bonus element over the exercise price of the employee services rendered in exchange for the grant of shares and options is recognised as an expense in the income statement. The total amount to be expensed over the vesting period is determined by reference to the fair value of the shares of the options granted.

(n) Provisions

Provisions are recognised when the group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

(o) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

(p) Revenue

Revenue from the sale of goods is recognised upon the delivery of goods to customers. Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Revenue from investment properties is recognised on an accruals basis or straight line basis in accordance with leases agreements.
Dividend revenue is recognised when the right to receive a dividend has been established. Dividends received from associates and joint venture entities are accounted for in accordance with the equity method of accounting.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

All revenue is stated net of the amount of goods and services tax (GST).

(q) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in income in the period in which they are incurred.

(r) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(s) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Critical accounting estimates and judgments

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the group.

Key Estimates — Impairment

The group assesses impairment at each reporting date by evaluating conditions specific to the group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

No impairment has been recognised in respect of goodwill for the year ended 30 June 2007. Should the cash flow anticipated from these goodwill be different from those figures incorporated in value-in-use calculations, an impairment loss would be recognised up to the maximum carrying value of goodwill at 30 June 2007 amounting to $1,480,969.

Note 2 Revenue

	Note	Consolidated Group		Parent Entity	
		2007	2006	2007	2006
		$	$	$	$
Sales Revenue					

— sale of goods		23,667,690	20,632,483	-	-
Total Sales Revenue		23,667,690	20,632,483	-	-
Other Revenue					
— dividends received	2(a)	-	-	970,000	-
— interest received	2(b)	180,937	165,732	-	-
— rental revenue of equipment		11,700,160	10,170,971	-	-
— commission		1,210	7,430	-	-
Total Other Revenue		11,882,307	10,344,133	970,000	-
Total Sales Revenue and Other Revenue		35,549,997	30,976,616	970,000	-
Other Income					
— gain on revaluation of investment property		595,034	-	-	-
— Proceeds on sale of property, plant and equipment		387,665	116,937	-	-
— other income		9,945	9,816	-	-
Total Other Income		992,644	126,753	-	-

(a) Dividend revenue from:				
— wholly-owned subsidiaries	-	-	970,000	-
Total dividend revenue	-	-	970,000	-
(b) Interest revenue from:				
— wholly-owned controlled entities	162,000	162,000	-	-
— other persons	18,937	3,732	-	-
Total interest revenue	180,937	165,732	-	-

Note 3 Profit for the Year

	Consolidated Group		Parent Entity	
	2007	2006	2007	2006
(a) Expenses	$	$	$	$
Cost of sales	18,740,853	15,933,451	-	-
Finance costs:				
— Partly owned subsidiaries	162,000	162,000	-	-
— Other persons	975,467	630,635	-	-
Total finance costs	1,137,467	792,635	-	-

Note 4 Income Tax Expense

		Consolidated Group		Parent Entity	
		2007	2006	2007	2006
	Note	$	$	$	$
(a) The components of tax expense comprise:					
Current tax		359,184	76,837	249,269	-
Deferred tax	25	297,838	432,990	3,941	-
Utilisation of losses by subsidiary members of the consolidated group		-	-	(253,210)	
Under provision in respect of prior years		-	2,840		
		657,022	512,667	-	-
(b) income tax is reconciled to the income tax as follows					
Prima facie tax payable on profit from ordinary activities before income tax at 30% (2006: 30%)					
— consolidated group		657,022	512,666		
— parent entity				-	-
		657,022	512,666	-	-
Income tax attributable to entity		657,022	512,666	-	-
The applicable weighted average effective tax rates are as follows:		28%	30%	0%	0%

The decrease in the weighted average effective consolidated tax rate for 2007 is a result of accelerated tax allowances on plant and equipment compared to 2006.

Note 6 Key Management Personnel Compensation

(a) Names and positions held of consolidated group and parent entity key management personnel in office at any time during the financial year are:

Key Management Person	**Position**
John R Westwood	Chairman - Non-executive
Anthony Mankarios	Managing Director - Executive
Thomas D J Love	Director - Non-executive
Christopher C Hext	Director - Non-executive
James W Toland	Director - Non-executive (Resigned 17 November 2006)
Douglas H Oldfield	Director - Non-executive (Resigned 26 March 2007)
Kenneth E Holloway	Marketing Director - Oldfields Paint Applications
Raymond J Titman	General Manager
Gary J Guild	Group Financial Controller / Company Secretary

(b) **Options and Rights Holdings**

Number of Options Held by Key Management Personnel

2007	Balance 30 Jun 06	Granted as Compensation	Options Exercised*	Net Change Other*	Balance 30 Jun 07	Total Vested 30 Jun 07	Total Exercisable 30 Jun 07	Total Unexercisable 30 Jun 07
J R Westwood	-	150,000	-	-	150,000	-	-	-
A Mankarios	250,000	500,000	-	(250,000)	500,000	-	-	-
T D Love	-	50,000	-	-	50,000	-	-	-
C C Hext	50,000	50,000	-	(50,000)	50,000	-	-	-
R J Titman	50,000	150,000	-	(50,000)	150,000	-	-	-
K J Holloway	50,000	50,000	-	(50,000)	50,000	-	-	-
K Andrew Jones	17,500	25,000	-	(17,500)	25,000	-	-	-
G Debono	20,000	50,000	-	(20,000)	50,000	-	-	-
P Zagoridis	-	100,000	-	-	100,000	-	-	-
P Camillos	-	50,000	-	-	50,000	-	-	-
G Guild	-	50,000	-	-	50,000	-	-	-
A Lovett	-	30,000	-	-	30,000	-	-	-
J Rogers	-	50,000	-	-	50,000	-	-	-
J Deering	-	25,000	-	-	25,000	-	-	-
G Punaro	-	20,000	-	-	20,000	-	-	-
S Brookes	-	25,000	-	-	25,000	-	-	-
D Buchanan	-	20,000	-	-	20,000	-	-	-
J Tomlinson	-	20,000	-	-	20,000	-	-	-
L Nagy	-	20,000	-	-	20,000	-	-	-
C Sweedman	-	30,000	-	-	30,000	-	-	-
L Sibley	-	50,000	-	-	50,000	-	-	-
A S Leong	-	30,000	-	-	30,000	-	-	-
	437,500	1,545,000	-	(437,500)	1,545,000	-	-	-

The net change other column above includes those options that have been forfeited by holders as well as options issued during the year under review.

(c) **Shareholdings**

Number of Shares held by Key Management Personnel

2007	Balance 30 Jun 07	Received as Compensation	Options Exercised	Net Change Other*	Balance 30 Jun 07
Key Management Personnel					
John R Westwood	2,930,000	-	-	-	2,930,000
Anthony Mankarios	1,946,497	-	-	-	1,946,497
Thomas D J Love	93,000	-	-	-	93,000
Christopher C Hext	60,000	-	-	-	60,000
Kenneth E Holloway	10,901	-	-	-	10,901
Raymond J Titman	6,864	-	-	-	6,864
	5,047,262	-	-	-	5,047,262

* Net change other refers to shares purchased or sold during the financial year.

Note 7 Auditors' Remuneration

	Consolidated Group 2007 $	Consolidated Group 2006 $	Parent Entity 2007 $	Parent Entity 2006 $
Remuneration of the auditor of the parent entity for:				
— auditing or reviewing the financial report	51,000	61,750	-	-
— taxation services	14,700	11,250	-	-
— due diligence services	25,000	29,250	-	-

Note 8 Dividends

	Consolidated Group 2007 $	Consolidated Group 2006 $	Parent Entity 2007 $	Parent Entity 2006 $
Distributions paid				
Interim unfranked ordinary dividends	410,141	292,680	410,141	292,680
Final unfranked ordinary dividends	294,043	409,751	294,043	409,751
	704,184	702,431	704,184	702,431

A final ordinary dividend of $495,040 in 2007: 4.0 cents per share partially franked to 50% to be paid 18 December 2007

Note 9 Earnings per Share

	Consolidated Group	
	2007	2006
	$	$
(a) Reconciliation of earnings to profit or loss		
Profit	1,653,563	1,209,224
Profit attributable to minority equity interest	(89,773)	(58,928)
Redeemable and converting preference share dividends		-
Earnings used to calculate basic EPS	1,563,790	1,150,296
Dividends on converting preference shares		
Earnings used in the calculation of dilutive EPS	1,563,790	1,150,296
	No.	No.
(b) Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS	11,925,407	11,718,313
Weighted average number of options outstanding	1,545,000	437,500
Weighted average number of ordinary shares outstanding during the year used in calculating dilutive EPS	13,470,407	12,155,813

Note 10 Cash and Cash Equivalents

	Note	Consolidated Group		Parent Entity	
		2007	2006	2007	2006
		$	$	$	$
Cash at bank and in hand		196,812	809,412	33,246	24,955
		196,812	809,412	33,246	24,955

Reconciliation of cash

Cash at the end of the financial year as shown in the cash flow statement is reconciled to items in the balance sheet as follows:

	Note	Consolidated Group 2007 $	Consolidated Group 2006 $	Parent Entity 2007 $	Parent Entity 2006 $
Cash and cash equivalents		196,812	809,412	33,246	24,955
Bank overdrafts	24	(1,194,887)	(1,639,852)	-	-
		(998,075)	(830,440)	33,246	24,955

Note 11 Trade and Other Receivables

	Note	Consolidated Group		Parent Entity	
		2007	2006	2007	2006
		$	$	$	$
CURRENT					
Trade receivables		4,337,006	4,177,986	-	-
Provision for impairment of receivables		(19,183)	(75,837)	-	-
		4,317,823	4,102,149	-	-
Other receivables		15,895	11,825	-	-
Amounts receivable from:					
— wholly-owned subsidiaries		-	-	3,262,897	3,031,115
— associated companies		204,755	338,013	-	-
		4,538,473	4,451,987	3,262,897	3,031,115
Amounts receivable from:					
— wholly-owned entities		1,090	1,090	-	-
		1,090	1,090	-	-

Note 12 Inventories

	Note	Consolidated Group		Parent Entity	
		2007	2006	2007	2006
		$	$	$	$
CURRENT					
At cost					
Raw materials and stores		1,109,825	1,064,834	-	-
Work in progress		868,127	710,364	-	-
Finished goods		3,523,949	2,649,614	-	-
Less Provisions		(29,649)	(95,903)	-	-
		5,472,252	4,328,909	-	-

Note 14 Investments Accounted for Using the Equity Method

	Note	Consolidated Group 2007 $	Consolidated Group 2006 $	Parent Entity 2007 $	Parent Entity 2006 $
Associated companies	15(a)	1,894,287	1,305,864	-	-
Interests in joint venture entities	16(b)	(475,887)	141,545	-	-
		1,418,400	1,447,409	-	-

Note 15 Associated Companies

Interests are held in the following associated companies

Name	Principal Activities	Country of Incorporation	Shares	Ownership Interest 2007 %	Ownership Interest 2006 %	Carrying Amount of Investment 2007 $	Carrying Amount of Investment 2006 $
Unlisted:							
Tangshan Hengfeng	Paint Brush Manufacturer	China	Ordinary	37.00%	35.00%	788,481	-
PT Ace Oldfields	Paint Brush Manufacturer	Indonesia	Ordinary	49.00%	49.00%	1,081,185	1,294,552
Brisbane Garden Sheds	Garden Shed Supplier	Australia	Ordinary	50.00%	50.00%	18,400	8,646
Adelaide Garden Shed	Garden Shed Supplier	Australia	Ordinary	50.00%	50.00%	6,221	2,667
						1,894,287	1,305,865

	Note	Consolidated Group 2007 $	Consolidated Group 2006 $	Parent Entity 2007 $	Parent Entity 2006 $
(a) **Movements during the Year in Equity Accounted Investments in Associated Companies**					
Balance at beginning of the financial year		1,305,864	1,218,807	-	-
Add: New investments during the year		863,991	-	-	-
Share of associated company's profit after income tax	15(b)	(76,328)	89,642	-	-
Other		(199,240)	(2,585)	-	-
Balance at end of the financial year		1,894,287	1,305,864	-	-
(b) **Equity accounted profits of associates are broken down as follows:**					
Share of associate's profit before income tax expense		(76,328)	89,642		
Share of associate's profit after income tax		(76,328)	89,642	-	-
(c) **Summarised Presentation of Aggregate Assets, Liabilities and Performance of Associates**					
Current assets		2,783,598	2,723,089	-	-
Non-current assets		834,450	908,964	-	-
Total assets		3,618,048	3,632,053	-	-
Current liabilities		2,260,060	2,276,643	-	-
Non-current liabilities		66,345	49,545	-	-
Total liabilities		2,326,405	2,326,188	-	-
Net assets		1,291,643	1,305,865	-	-
Revenues		5,204,992	5,538,219	-	-
Profit after income tax of associates		(76,328)	89,642	-	-

Note 16 Joint Venture

(b) **Interests in Joint Venture Entities**

Oldfields Holdings Limited has a 49.0% interest in the joint venture entity Enduring Enterprises [insert company name] incorporated in Australia, which is involved in transportation and storage
The voting power held by Oldfields Holdings Limited is [insert percentage]

	Consolidated Group 2007	Consolidated Group 2006	Parent Entity 2007	Parent Entity 2006
(i) Carrying amount of investment in joint venture entity:				
Balance at the beginning of the financial year	141,546	164,376	-	-
— share of joint venture's profit after income tax	194,930	56,011	-	-
— additional investments made during year	(551,335)	-	-	-
— dividends received	(261,028)	(78,842)	-	-
Balance at the end of the financial year	(475,887)	141,545	-	-

	Consolidated Group 2007 $	Consolidated Group 2006 $	Parent Entity 2007 $	Parent Entity 2006 $
(ii) Share of joint venture entity's results and financial position:				
Current Assets	1,160,828	1,687,095	-	-
Non-current Assets	-	-	-	-
Total Assets	1,160,828	1,687,095	-	-
Current Liabilities	958,554	1,374,707	-	-
Non-current Liabilities	-	-	-	-

Total Liabilities	958,554	1,374,707	-	-
Revenues	2,783,522	4,188,144	-	-
Expenses	(2,588,592)	(3,943,457)	-	-
Profit before income tax	194,930	244,687	-	-
Income tax expense				
Profit after income tax	194,930	244,687	-	-

Note 17 Financial Assets

	Note	Consolidated Group		Parent Entity	
NON CURRENT					
Available-for-sale financial assets	17(a)	118,675	815,589	7,209,076	7,209,076
		118,675	815,589	7,209,076	7,209,076

(a) **Available-for-sale financial assets Comprise:**

CURRENT				
Unlisted investments, at cost				
— shares in controlled entities	-	-	7,209,076	7,209,076
— shares in other corporations	-	1,380	-	-
— shares in associates	118,675	814,209	-	-
Total non-current available-for-sale financial assets	118,675	815,589	7,209,076	7,209,076

Available-for-sale financial assets comprise investments in the ordinary issued capital of various entities. There are no fixed returns or fixed maturity date attached to these investments.

Note 18 Controlled Entities

(a) **Controlled Entities Consolidated**

	Country of Incorporation	Percentage Owned (%)* 2007	2006
Parent Entity:			
Oldfields Holdings Limited	Australia		
Subsidiaries of Oldfields Holdings Limited:			
Oldfields Pty Limited	Australia	100.00%	100.00%
Oldfields Access Pty Limited	Australia	100.00%	100.00%
Oldfields Administration Pty Limited	Australia	100.00%	100.00%
Oldfields International Pty Limited	Australia	100.00%	100.00%
Advantage Contracting Pty Limited	Australia	100.00%	100.00%
Advantage Scaffolding Pty Limited	Australia	100.00%	100.00%
Shed Holdings Pty Limited	Australia	100.00%	100.00%
Subsidiary of Oldfields Pty Limited:			
Midco Pty Limited	Australia	100.00%	100.00%
Subsidiary of Oldfields Access Pty Limited:			
Adelaide Scaffolding Solutions Pty Limited	Australia	75.00%	75.00%
Subsidiary of Oldfields Administration Pty Limited:			
National Office Service Trust	Australia	100.00%	100.00%
Subsidiary of Oldfields International Pty Limited:			
Oldfields (NZ) Limited	New Zealand	100.00%	100.00%
Oldfields Paint Application (NZ) Limited	New Zealand	100.00%	100.00%
Oldfields USA Incorporated	United States of America	100.00%	100.00%
Subsidiary of Shed Holdings Pty Limited:			
Backyard Installations Pty Limited	Australia	100.00%	100.00%
Sheds Plus Pty Limited	Australia	100.00%	100.00%

* Percentage of voting power is in proportion to ownership

(e) A deed of cross-guarantee between Oldfields Holdings Limited and its wholly owned subsidiaries was enacted during the financial year ended June 2001. An assumption deed include Advantage Scaffolding Pty Limited and Advantage Contracting Pty Limited was enacted during the financial year ended June 2004. An assumption deed to include Adelaide Scaffolding Solutions Pty Limited was enacted during the financial year ended June 2005. Relief has been obtained from preparing a financial report for Oldfields Pty Limited and Oldfields Access Pty Limited under ASIC Class Order (98/1418). Under the deed, Oldfields Holdings Limited guarantees to support the liabilities and obligations to Oldfields Pty Limited and other entities listed above being member of the closed group.

Note 19 Property, Plant and Equipment

	Consolidated Group 2007 $	2006 $	Parent Entity 2007 $	2006 $
LAND AND BUILDINGS				
Freehold land at:				
at cost	1,347,528	200,000	-	-
Total Land	1,347,528	200,000	-	-

Buildings at:				
at cost	1,227,397	154,054	-	-
Less accumulated depreciation	(21,080)	(8,898)	-	-
Total Buildings	1,206,317	145,156	-	-
Total Land and Buildings	2,553,845	345,156	-	-
PLANT AND EQUIPMENT				
Plant and equipment:				
At cost	13,558,676	12,688,597	-	-
Accumulated amortisation	(3,605,721)	(3,622,413)	-	-
	9,952,955	9,066,184	-	-
Leasehold improvements				
At cost	241,086	232,696	-	-
Accumulated amortisation	(61,386)	(31,226)	-	-
Total Leasehold Improvements	179,700	201,470	-	-
Leased plant and equipment				
Capitalised leased assets	1,879,544	1,717,182	-	-
Accumulated depreciation	(886,236)	(631,764)	-	-
	993,308	1,085,418	-	-
Total plant and equipment	11,125,963	10,353,072	-	-
Total Property, Plant and Equipment	13,679,808	10,698,228	-	-

The group’s land and buildings were revalued at 30 June 2007 by independent valuers. Valuations were made on the basis of open market value. The revaluation surplus net of applicable deferred income taxes was credited to an asset revaluation reserve in shareholders’ equity.

(a) **Movements in Carrying Amounts**

Movements in carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year.

	Freehold Land $	Buildings $	Leasehold Improvements $	Plant and Equipment $	Leased Plant and Equipment $	Total $
Consolidated Group:						
Balance at 1 July 2005	200,000	148,237	16,728	7,666,282	1,288,826	9,320,073
Additions	-	-	204,148	2,075,735	306,983	2,586,866
Disposals	-	-	-	(28,523)	(46,016)	(74,539)
Reclassify	-	-	-	155,995	(155,995)	-
Depreciation expense	-	(3,081)	(19,406)	(803,305)	(308,380)	(1,134,172)
Balance at 30 June 2006	200,000	145,156	201,470	9,066,184	1,085,418	10,698,228
Additions	2,810,000	1,084,306	-	1,896,070	369,382	6,159,758
Disposals	-	-	-	(114,673)	(52,193)	(166,866)
Revaluation increments / (decrements)	-	701,525	-	-	-	701,525
Depreciation expense	-	(17,569)	(21,770)	(894,626)	(409,299)	(1,343,264)
Balance at 30 June 2007	3,010,000	1,913,418	179,700	9,952,955	993,308	16,049,381

Note 20 Investment Property

	Consolidated Group 2007 $	Consolidated Group 2006 $	Parent Entity 2007 $	Parent Entity 2006 $
Balance at beginning of year	-	-	-	-
Acquisitions	1,779,926	-	-	-
Fair value adjustments	589,647	-	-	-
Balance at end of year	2,369,573	-	-	-

The fair value model is applied to all investment property. Investment properties are independently revalued annually. Values are based on an active liquid market value and are performed by a registered independent valuer.

Note 21 Intangible Assets

	Consolidated Group 2007 $	Consolidated Group 2006 $	Parent Entity 2007 $	Parent Entity 2006 $
Software	337,911	241,711	-	-
(Accumulated amortisation)	(224,625)	(69,605)	-	-
Net Carrying value	113,286	172,106	-	-

Goodwill				
Cost	1,367,683	952,228	-	-
Net carrying value	1,367,683	952,228	-	-
Trademarks and licences				
Cost	189,447	204,891	-	-
Accumulated amortisation and impairment	-	(15,140)	-	-
Net carrying value	189,447	189,751	-	-
Development costs				
Accumulated amortisation and impairment	(35,701)	-	-	-
Net carrying value	(35,701)	-	-	-
Total intangibles	1,634,715	1,314,085	-	-

Intangible assets, other than goodwill have finite useful lives. The current amortisation charges in respect of intangible assets are included under depreciation and amortisation expense per the income statement. Goodwill has an infinite life.

Note 22 Other Assets

	Consolidated Group		Parent Entity	
	2007	2006	2007	2006
	$	$	$	$
CURRENT				
Prepayments	984,857	1,029,892	-	-
	984,857	1,029,892	-	-

Note 23 Trade and Other Payables

	Note	Consolidated Group		Parent Entity	
		2007	2006	2007	2006
		$	$	$	$
CURRENT					
Unsecured liabilities					
Trade payables		3,080,325	2,861,707	-	-
Sundry payables and accrued expenses		2,861,976	1,293,666	32,621	23,987
Amounts payable to:					
— wholly-owned subsidiaries		-	-	909,345	914,293
— other related parties		266,301	356,536	-	-
		6,208,602	4,511,909	941,966	938,280

Note 24 Financial Liabilities

	Note	Consolidated Group		Parent Entity	
		2007	2006	2007	2006
		$	$	$	$
CURRENT					
Other		-	-	-	-
		-	-	-	-
Secured liabilities					
Bank overdrafts	24(a),(c)	1,194,887	1,639,852	-	-
Bank loans	24(a),(d)	749,226	708,834	-	-
Lease liability		22,579	134,319	-	-
Hire Purchase liability		406,881	456,300	-	-
		2,373,573	2,939,305	-	-
NON-CURRENT					
Other related party		299,750	299,750	-	-
Bank loans	24(a),(d)	6,770,096	3,551,163	-	-
Lease liability		63,011	7,728	-	-
Hire Purchase liability		755,585	627,502	-	-
		7,888,442	4,486,143	-	-

	Consolidated Group		Parent Entity	
	2007	2006	2007	2006
	$	$	$	$
(a) Total current and non-current secured liabilities:				
Bank overdraft	1,194,887	1,639,852	-	-
Bank loan	7,519,322	4,259,997	-	-
Lease liability	85,590	142,047	-	-
Hire Purchase liability	1,162,466	1,083,802		
Other related party	299,750	299,750	-	-

10,262,015	7,425,448	-	-

Note 25 Tax

	Consolidated Group 2007 $	Consolidated Group 2006 $	Parent Entity 2007 $	Parent Entity 2006 $
Liabilities				
CURRENT				
Income Tax	110,425	110,845	5,015	5,015

NON-CURRENT **Consolidated Group**	Opening Balance $	Charged to Income $	Charged directly to Equity $	Changes in Tax Rate $	Exchange Differences $	Closing Balance $
Deferred Tax Liability						
Property, Plant and Equipment						
- Tax Allowance	-	164,226				164,226
Tangible Assets Revaluation	-	178,510				178,510
Prepayment	-	21,907				21,907
Leases	-	27,375				27,375
Other	-	27,468				27,468
Balance as at 30 June 2007	-	419,486	-	-	-	419,486
Deferred Tax Assets						
Provisions		222,362				222,362
Transaction costs on equity issue		12,808				12,808
Property, Plant and Equipment						
- Impairment		46,501				46,501
Other		6,612				6,612
Losses		594,934				594,934
Accruals		50,285				50,285
NZ Subsidiary interest expense		58,160				58,160
Balance as at 30 June 2006	-	991,662	-	-	-	991,662
Provisions	222,362	142,683				365,045
Transaction costs on equity issue	12,808	(3,942)				8,866
Property, Plant and Equipment						
- Impairment	46,501	(28,051)				18,450
Other	6,612	15,907				22,519
Losses	594,934	(249,269)				345,665
Accruals	50,285	(4,949)				45,336
NZ Subsidiary interest expense	58,160					58,160
Balance as at 30 June 2007	991,662	(127,621)	-	-	-	864,041

Parent Entity	Opening Balance $	Charged to Income $	Charged directly to Equity $	Changes in Tax Rate $	Exchange Differences $	Closing Balance $
Deferred Tax Assets						
Provisions		222,362				222,362
Transaction costs on equity issue		12,808				12,808
Property, Plant and Equipment						
- Impairment		46,501				46,501
Other		6,612				6,612
Losses		211,014				211,014
Accruals		50,285				50,285
NZ Subsidiary interest expense		58,160				58,160
Balance as at 30 June 2006	-	607,742	-	-	-	607,742
Provisions	222,362	142,683				365,045
Transaction costs on equity issue	12,808	(3,942)				8,866
Property, Plant and Equipment						
- Impairment	46,501	(28,051)				18,450
Other	6,612	2,624				9,236
Losses	211,014	134,651				345,665
Accruals	50,285	(4,949)				45,336
NZ Subsidiary interest expense	58,160					58,160
Balance as at 30 June 2007	607,742	243,016	-	-	-	850,758

Note 26 Provision for Long-term Employee Benefits

	Consolidated Group		Parent Entity	
CURRENT	2007	2006	2007	2006
Employee Entitlements				
Opening balance at beginning of year	911,452	826,903	-	-
Additional provisions raised during year	527,361	421,369	-	-
Amounts used	(356,714)	(336,820)	-	-
Balance at end of the year	1,082,099	911,452	-	-

	Consolidated Group		Parent Entity	
NON CURRENT	2007	2006	2007	2006
Employee Entitlements				
Opening balance at beginning of year	112,149	114,405	-	-
Additional provisions raised during year	114,525	76,153	-	-
Amounts used	(111,139)	(78,409)	-	-
Balance at end of the year	115,535	112,149	-	-

Analysis of Total Provisions	Consolidated Group		Parent Entity	
	2007	2006	2007	2006
	$	$	$	$
Current	1,082,099	911,452	-	-
Non-current	115,535	112,149	-	-
	1,197,634	1,023,601	-	-

Provision for Employee Entitlements

A provision has been recognised for employee entitlements relating to long service leave. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits has been included in Note 1 to this report.

Note 28 Issued Capital

	Consolidated Group		Parent Entity	
	2007	2006	2007	2006
	$	$	$	$
11,925,407 (2006 : 11,718,313) fully paid ordinary shares	9,927,730	9,714,143	9,927,730	9,714,143
	9,927,730	9,714,143	9,927,730	9,714,143

(a) **Ordinary Shares**		Consolidated Group		Parent Entity	
		2007	2006	2007	2006
		No.	No.	No.	No.
At the beginning of reporting period		11,718,313	10,406,374	11,718,313	10,406,374
Shares issued during year					
—	11-Jul-05		1,300,797		1,300,797
—	31-May-06		11,142		11,142
—	22-Dec-06	43,390		43,390	
—	25-May-07	92,592		92,592	
—	15-Jun-07	71,112		71,112	
At reporting date		11,925,407	11,718,313	11,925,407	11,718,313

Date of issue as per above.

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held
At the shareholders meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands

(d) **Options**

(i) For information relating to the Oldfields Holdings Limited employee option plan, including details of options issued, exercised and lapsed during the financial year and the options outstanding at year-end. Refer to Note 34: Share-based Payments.

(ii) For information relating to share options issued to key management personnel during the financial year. Refer to Note 34: Share-based Payments.

Note 29 Reserves

(a) **Foreign Currency Translation Reserve**

The foreign currency translation reserve records exchange differences arising on translation of a foreign controlled subsidiary

Note 30 Capital and Leasing Commitments

		Note	Consolidated Group 2007 $	Consolidated Group 2006 $	Parent Entity 2007 $	Parent Entity 2006 $
(a)	**Finance Lease Commitments**					
	Payable — minimum lease payments					
	— not later than 12 months		486,446	660,545	-	-
	— between 12 months and 5 years		761,610	708,013	-	-
	— greater than 5 years					
	Minimum lease payments		1,248,056	1,368,558	-	-
	Less future finance charges		(164,925)	(142,709)		
	Present value of minimum lease payments	24	1,083,131	1,225,849	-	-

		Consolidated Group 2007 $	Consolidated Group 2006 $	Parent Entity 2007 $	Parent Entity 2006 $
(b)	**Operating Lease Commitments**				
	Non-cancellable operating leases contracted for but not capitalised in the financial statements				
	Payable — minimum lease payments				
	— not later than 12 months	824,820	825,095	-	-
	— between 12 months and 5 years	536,596	536,596	-	-
	— greater than 5 years				
		1,361,416	1,361,691	-	-

The property lease is a non-cancellable lease with a five-year term, with rent payable monthly in advance. Contingent rental provisions within the lease agreement require the minimum lease payments shall be increased by the lower of CPI or 5.0% per annum. An option exists to renew the lease at the end of the five-year term for an additional term of five years. The lease allows for subletting of all lease areas.

Note 32 Segment Reporting

	Manufacturing 2007 $	Manufacturing 2006 $	Wholesaling 2007 $	Wholesaling 2006 $	Scaffolding 2007 $	Scaffolding 2006 $	Economic Entity 2007 $	Economic Entity 2006 $
Primary Reporting — Business Segments								
REVENUE								
External Sales	-	-	20,543,498	18,093,882	14,824,352	12,709,572	35,367,850	30,803,454
Other segments	-	-	893,181	132,754	281,610	167,161	1,174,791	299,915
Total sales revenue	-	-	21,436,679	18,226,636	15,105,962	12,876,733	36,542,641	31,103,369
RESULT								
Segment result			1,279,898	683,944	912,085	703,717	2,191,983	1,387,661
Share of net profits of associates and joint venture entities							118,602	334,229
tax							2,310,585	1,721,890
Income tax expense							(657,022)	(512,666)
Profit after income tax							1,653,563	1,209,224
ASSETS								
Segment assets	1,869,666	1,294,552	14,510,288	10,402,753	14,898,742	14,397,064	31,278,696	25,888,264
LIABILITIES								
Segment liabilities	-	-	5,410,497	1,858,888	12,787,665	11,212,915	18,198,162	13,071,803
OTHER								
Investments accounted for using the equity method	1,081,185	1,294,552	337,215	152,858	-	-	1,418,400	1,447,410
Acquisitions of non-current segment assets	-	-	4,403,430	927,611	1,756,328	1,139,702	6,159,758	2,067,313
Depreciation and amortisation of segment assets	-	-	530,369	444,123	812,895	690,049	1,343,264	1,134,172
Other non-cash segment expenses	-	-	416,337	338,863	225,549	93,848	641,886	432,711

Secondary Reporting — Geographical Segments	Segment Revenues from External Customers		Carrying Amount of Segment Assets		Acquisitions of Non-current Segment Assets	
	2007 $	2006 $	2007 $	2006 $	2007 $	2006 $
Geographical location:						
Australia	36,542,641	31,103,369	26,389,088	21,821,199	6,159,758	2,067,313
New Zealand	-	-	2,817,668	2,460,125	-	-
South East Asia	-	-	2,071,940	1,606,940	-	-
	36,542,641	31,103,369	31,278,696	25,888,264	6,159,758	2,067,313

Accounting Policies

Segment revenues and expenses are those directly attributable to the segments and include any joint revenue and expenses where a reasonable basis of allocation exists. Segment assets include all assets used by a segment and consist principally of cash, receivables, inventories, intangibles and property, plant and equipment, net of allowances and accumulated depreciation and amortisation. While most such assets can be directly attributed to individual segments, the carrying amount of certain assets used jointly by two or more segments is allocated to the segments on a reasonable basis. Segment liabilities consist principally of payables, employee benefits, accrued expenses, provisions and borrowings. Segment assets and liabilities do not include deferred income taxes.

Intersegment Transfers

Segment revenues, expenses and results include transfers between segments. The prices charged on intersegment transactions are the same as those charged for similar goods to parties outside of the consolidated group at an arm's length. These transfers are eliminated on consolidation.

Business and Geographical Segments

Business segments

segments:

— Manufacturing division manufactures paint application used in the building and general hardware business.
— Wholesale division sells paint application products, painters tools, associated products and garden sheds to the paint and hardware industry.
— Scaffolding construction and hire division manufactured scaffolding equipment for both sales and hire to the building and construction industry in NSW, Victoria, Queensland, South Australia and Western Australia.

Geographical segments

The economic entity's business segments are located in Australia, with the manufacturing and distribution division also having operations in New Zealand and South East Asia.

Note 33 Cash Flow Information

	Consolidated Group		Parent Entity	
	2007 $	2006 $	2007 $	2006 $
(a) **Reconciliation of Cash Flow from Operations with Profit after Income Tax**				
Profit after income tax	1,653,563	1,209,224	970,000	(313)
Non-cash flows in profit				
Amortisation	-	4,680	-	-
Depreciation	1,343,264	1,129,560	-	-
Net gain on disposal of property, plant and equipment	105,095	18,826	-	-
Share of joint venture entity net profit after income tax and dividends	(118,602)	(334,229)	-	-
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries				
(Increase)/decrease in trade and term receivables	(86,486)	(932,067)	(231,782)	(1,144,894)
(Increase)/decrease in prepayments	(42,507)	(122,705)	-	-
(Increase)/decrease in inventories	(1,143,343)	281,034	-	-
Increase/(decrease) in trade payables and accruals	5,345,466	2,489,947	(495,544)	658,963
Increase/(decrease) in non-current assets	(4,818,238)	(1,941,593)	(243,016)	580,573
Increase/(decrease) in deferred taxes payable	419,486	(94,873)	-	(94,873)
Increase/(decrease) in provisions	174,033	82,293	-	-
Cash flow from operations	2,831,731	1,790,097	(342)	(544)

(b) **Acquisition of Entities**

There were no entities acquired during the period.

Note 34 Share-based Payments

Refer Note 6 (b)

Note 35 Events After the Balance Sheet Date

See Operation Report.

Note 36 Related Party Transactions

	Consolidated Group		Parent Entity	
	2007	2006	2007	2006
	$	$	$	$
Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.				
Transactions with related parties:				
(a) **Controlled Entities**				
Purchases from Enduring Enterprises comprising of Paint Brushes and Rollers.	1,815,110	2,010,293	-	-
(b) **Associated Companies**				
Sale to Backyard Installations Pty Limited comprising Garden Sheds and Sheds Components.	724,172	615,975	-	-
Sale to Sheds Plus Pty Limited comprising Garden Sheds and Sheds Components.	392,671	443,885	-	-
Sale to Brisbane Garden Sheds Pty Limited comprising Garden Sheds and Sheds Components.	649,529	578,073	-	-
Sale to Adelaide Garden Sheds Pty Limited comprising Garden Sheds and Sheds Components.	34,133	31,031	-	-
Sales to Adelaide Scaffolding Solutions Pty Limited comprising Scaffold Equipment.	716,671	204,478	-	-
Sale to Oldfields Trading S.A. comprising Garden Sheds and Sheds Components.	-	108,807	-	-
Loans outstanding under normal commercial terms and conditions by Concrete Pumping Systems Pty Limited.	15,895	11,825	-	-
Accounts Receivable outstanding from Oldfields Trading S.A.	-	36,581	-	-
(c) **Directors related Entities**				
Rent paid to 8 Farrow Road Pty Limited owned by John R Westwood.	445,470	432,566	-	-

Note 37 Financial Instruments

(a) **Financial Risk Management**

The group's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable, loans to and from subsidiaries, bills, leases, preference shares, and derivatives.

The main purpose of non-derivative financial instruments is to raise finance for group operations. Derivatives are used by the group for hedging purposes. Such instruments include forward exchange and currency option contracts and interest rate swap agreements. The group does not speculate in the trading of derivative instruments.

(ii) **Financial Risks**

The main risks the group is exposed to through its financial instruments are interest rate risk, foreign currency risk, liquidity risk, credit risk and price risk.

Interest rate risk

Interest rate risk is reviewed by executives on a regular basis to determine whether the company has a material exposure. Under the current economic conditions, the executives view that there is no immediate need to establish a mixture of fixed and floating debt rate. The executives are committed to minimising any interest rate risk through continual assessment of market volatility.

Liquidity risk

The group manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained.

Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements.

Credit risk for derivative financial instruments arises from the potential failure by counterparties to the contract to meet their obligations. The credit risk exposure to forward exchange contracts and interest rate swaps is the net fair value of these contracts as disclosed in Note 37.

The consolidated group does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the consolidated group.

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(ii) **Interest Rate Risk**

The consolidated group's exposure to interest rate risk, which is the risk that a financial instruments value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

	Weighted Average Effective Interest Rate		Floating Interest Rate $		Fixed Interest Rate Maturing Within Year $		Fixed Interest Rate Maturing 1 to 5 years $	
	2007	2006	2007	2006	2007	2006	2007	2006
Financial Liabilities:								
Bank Overdrafts	9.20%	9.49%	1,194,887	1,639,852				
Bank Loans	8.85%	7.50%	-	-	749,228	708,834	6,770,096	3,551,163
Liabilities	8.55%	7.95%	-	-	406,881	456,300	755,585	627,502
Lease liabilities	8.55%	7.95%	-	-	22,579	134,319	63,011	7,728
Liabilities			1,194,887	1,639,852	1,178,688	1,299,453	7,588,692	4,186,393

	Fixed Interest Rate Maturing Over 5 Years $		Non-interest Bearing $		Total $	
	2007	2006	2007	2006	2007	2006
Financial Assets:						
Cash and cash equivalents	-	-	196,812	809,412	196,812	809,412
Receivables	-	-	4,317,823	4,102,149	4,317,823	4,102,149
Investments	-	-	-	1,380	-	1,380
Total Financial Asset	-	-	4,514,635	4,912,941	4,514,635	4,912,941
Financial Liabilities:						
Bank loans and overdrafts					1,194,887	1,639,852
Bills of exchange and promissory notes					7,519,324	4,259,997
Debentures					1,162,466	1,083,802
Lease liabilities					85,590	142,047
Total Financial Liabilities	-	-	-	-	9,962,267	7,125,698

(iii) **Net Fair Values**

The net fair values of:

- Term receivables and government and fixed interest securities and bonds are determined by discounting the cash flows, at the market interest rates of similar securities, to their present value.
- Listed investments have been valued at the quoted market bid price at balance date adjusted for transaction costs expected to be incurred. For unlisted investments where there is no organised financial market the net fair value has been based on a reasonable estimation of the underlying net assets or discounted cash flows of the investment
- Debentures, bills of exchange and promissory notes which are traded on organised financial markets, are based on the quoted market offer price at balance date adjusted for transaction costs expected to be incurred.
- Other loans and amounts due are determined by discounting the cash flows, at market interest rates of similar borrowings to their present value.
- Forward exchange contracts are the recognised unrealised gain or loss at balance date determined from the current forward exchange rates for contracts with similar maturities.
- Interest rate swaps are the present value of the future net interest cash flows.
- Other assets and other liabilities approximate their carrying value.

No financial assets and financial liabilities are readily traded on organised markets in standardised form other than listed investments, forward exchange contracts and interest rate swaps.

Financial assets where the carrying amount exceeds net fair values have not been written down as the consolidated group intends to hold these assets to maturity.

Aggregate net fair values and carrying amounts of financial assets and financial liabilities at balance date

	2007 Carrying Amount $	2007 Net Fair Value $	2006 Carrying Amount $	2006 Net Fair Value $
Cash and cash equivalent	196,812	196,812	809,412	809,412
Receivables	4,317,823	4,317,823	4,102,149	4,102,149
Avaliable for sale of Financial Assets			1,380	1,380
	4,514,635	4,514,635	4,912,941	4,912,941

	2007 Carrying Amount $	2007 Net Fair Value $	2006 Carrying Amount $	2006 Net Fair Value $
Bank Overdrafts	1,194,887	1,194,887	1,639,852	1,639,852
Bank Loans	7,519,324	7,519,324	4,259,997	4,259,997
Trade and Sundry Creditors	6,208,602	6,208,602	4,811,659	4,811,659
Hire Purchase Liabilities	1,162,466	1,162,466	1,083,802	1,083,802

Finance Lease Liabilities	85,590	85,590	142,047	142,047
	16,170,869	16,170,869	11,937,357	11,937,357

Note 40 Company Details

The registered office of the company is:
Oldfields Holdings Limited
8 Farrow Road
CAMPBELLTOWN NSW 2560

The principal places of Oldfields Holdings Limited are:
Oldfields Pty Limited
8 Farrow Road
CAMPBELLTOWN NSW 2560